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1946

ANNUAL MEETING

ALUMINIUM LIMITED



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McGILL UNIVERSITY

ALUMINIUM LIMITED

Montreal
Canada

DIRECTORS

HON. LEIGHTON McCARTHY, P.C., K.C.

E. BLOUGH

President

Aluminium Laboratories Limited

GEORGE O. MORGAN

President

Aluminium Securities Limited

J. A. DULLEA

President

Aluminium Secretariat Limited

R. E. POWELL

President

Aluminum Company of Canada, Ltd.

E. G. MacDOWELL

President

Aluminium Union Limited

EDWIN J. MEJIA

President

Aluminium Fiduciaries Limited

AIMÉ GEOFFRION, K.C.

EDWARD K. DAVIS

EDWARD K. DAVIS, President

J. A. DULLEA, Secretary

J. W. McKEE, Treasurer

1946
ANNUAL MEETING
ALUMINIUM LIMITED

PROCEEDINGS

REMARKS OF PRESIDENT

AERIAL PHOTOGRAPHS

CHARTS

FINANCIAL HIGHLIGHTS

REPORT OF THE
EIGHTEENTH ANNUAL MEETING OF SHAREHOLDERS
OF ALUMINIUM LIMITED

PROCEEDINGS

The meeting was held at eleven o'clock, April 25th, 1946, at the Company's head office, 1155 Metcalfe Street, Montreal, Quebec, Canada.

Of 744,410 common shares outstanding, 603,249 were represented in person or by proxy.

The shareholders attending were:

Leon A. Andrus
L. G. Bash
Constance Benison
E. Blough
F. D. Chapman
Edward K. Davis
J. A. Dennistoun
J. A. Dullea
F. L. Farrell
Aimé Geoffrion, K.C.
Leslie Green
E. C. Harder
M. N. Hay
L. P. Leduc
E. G. MacDowell
Hon. Leighton McCarthy, P.C., K.C.
J. W. McKee
Edwin J. Mejia
George O. Morgan
Sarah S. Morgan
F. Leslie Parsons
R. E. Powell
H. H. Richardson
R. H. Rimmer
A. W. Whitaker, Jr.
J. B. White

The auditors' report was read and the financial statements for 1945 were adopted. (Financial highlights of the years 1940 to 1945 inclusive may be found on page 12.)

Directors were re-elected. (At the ensuing Directors' Meeting officers were re-elected, with one exception. The Hon. Leighton McCarthy, P.C., K.C., did not offer himself for re-election as Vice-President. Consequently, by resolution, the number of Vice-Presidents was reduced from six to five.)

REMARKS OF

EDWARD K. DAVIS, PRESIDENT

Ladies and Gentlemen:

I have here, and you have before you, the Consolidated Financial Statements of Aluminium Limited and fully-owned subsidiaries. It is my intention to move their adoption, but before doing so, and while you are examining them, I shall venture to give you in broad outline a description of the business as a whole with particular reference to its status before, during, and after the war.

Any such attempt to review subjects of particular interest to the shareholders of Aluminium Limited against the background of world events might seem to call for an apology, but, as you are assembled for this Eighteenth Annual Shareholders' Meeting to hear about things of immediate concern to your Company, I shall speak of them without resorting to details which might prove confusing. I want to show you a picture of our business, however small it may be relatively, on a scale comparable with events of greater magnitude. In that way I expect you will see where we fit into the picture of world economy whether for national defense or for the enlargement of national interests in an expanding international trade.

In this attempt I shall contrast the situation at the close of 1945 with the situation in 1938, which was the last full year unaffected by any actual outbreak of hostilities.

At that time as at present, the chief purpose of the company where your money is invested was, and I repeat that it still is, the development for industrial purposes, principally the production of aluminium, of a narrow strip of land some 30 miles long elevated at one end some 300 ft. above the other extremity and over which flows with a degree of fair regularity some 50,000 cu. ft. of water per second.

In 1938 this property was developed to the extent of being able to produce some 550,000 horsepower per annum of electric energy and 60,000 tons per annum of aluminium.

Our expectation at that time was to more fully develop the possibilities of such a large volume of water falling in such a short distance to a level of 300 ft. lower than where it started.

This may be a homely description to apply to one of the scenic grandeurs of this country. For a more picturesque view of the property you may examine aerial photographs, of which there are several on the walls of this room, put there for your convenience at this meeting.

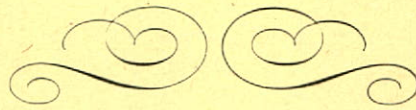
In 1938 our hope was to develop the project concurrently with an orderly expansion of the use of aluminium in a world devoted to peaceful pursuits.

When the Japanese finally gave in to the allied military power, following upon the defeat of the Germans by about three months, that is in 1945, the year under review, our so-called Saguenay development had increased so that the hydraulic facilities there could under some pressure generate 1,500,000 horsepower per annum of electric energy and our Canadian facilities for the reduction of aluminium from its ores could, also under some pressure, produce 500,000 tons of aluminium per annum.

This accomplishment, which required improved mining, fabricating, and other facilities in appropriate locations, came about in two ways; partly by the investment of your money to the extent of about \$66 million and partly by the remission of taxes to the extent of about \$177 million by the Canadian Government through special depreciation allowed to new construction deemed necessary by the Government for the successful prosecution of the war. Such special depreciation was quite generally allowed in this and other countries to stimulate plants for military necessities.

What I wish to point out is that the enlargement of our enterprises was on preconceived lines. The 1945 situation was dimly envisaged in 1938 as possible of accomplishment some time. It was only the means of accelerating it that was neither foreseen nor hoped for. It follows that the problem of reconversion of facilities useful solely for armaments has not troubled us in the same way that other companies have had to contend with such problems commonly referred to as "reconversion" problems. We have, however, essentially the same problem in a slightly different form. That part of our present equipment which benefitted from special depreciation has little or no value to us and no further value to the Government now that the war is over, unless it can be put to use and produce taxes for the Government, dividends for us and pay envelopes for the employees.

That is the problem which presently engages the chief attention of the management. It is necessary to fabricate a larger portion of our raw product in countries like Canada and England, where the consumption of our goods in finished form is not restricted by conditions which are the aftermath of the war. It is necessary to recover, rehabilitate and, if possible, employ our properties in enemy and formerly enemy-occupied territories. It is necessary to expand the coverage of our selling organization so that no opportunity to make sales in the relatively undeveloped parts of the world will be lost through neglect; and finally it is necessary to use our influence, when we have any, to dissuade the countries which could be large users of our Canadian output from resorting to bilateral trade agreements and other devices which tend to cut the world up into unnatural islands of commerce and which invite a recurrence of the same unsatisfactory state of foreign trade which contributed so largely to the tragedy of the war.



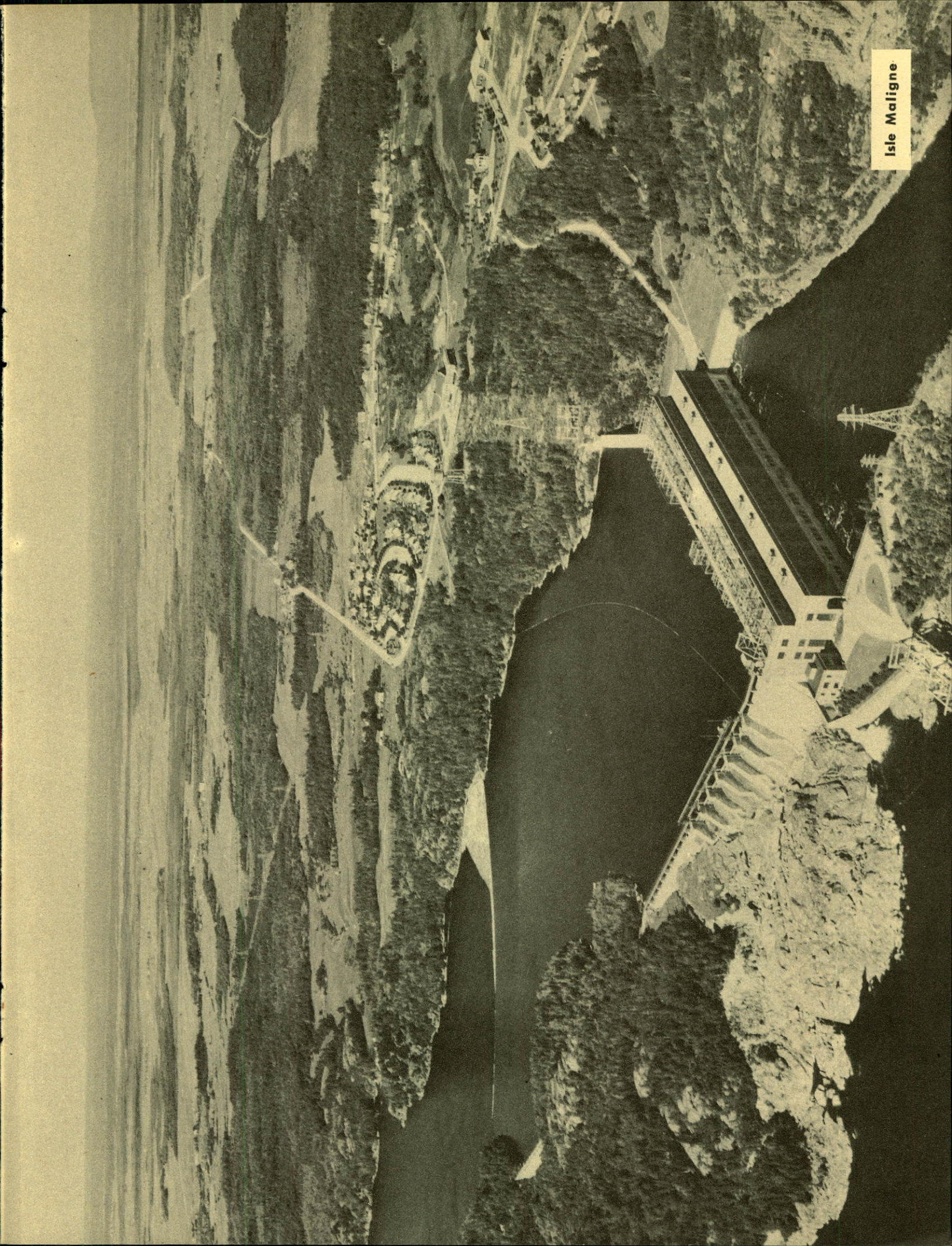
ILLUSTRATIONS OF DEVELOPMENT OF A NARROW STRIP
OF LAND 30 MILES LONG ELEVATED AT ONE END 300
FEET ABOVE TIDEWATER AND OVER WHICH FLOWS SOME
50,000 CUBIC FEET OF WATER PER SECOND.

- | | |
|----------------------|--|
| PORT ALFRED, QUEBEC | • <i>Terminal facilities</i> |
| ISLE MALIGNE, QUEBEC | • <i>Upper power development on
Saguenay River</i> |
| SHIPSHAW, QUEBEC | • <i>Lower power development on
Saguenay River</i> |
| ARVIDA, QUEBEC | • <i>Smelter</i> |

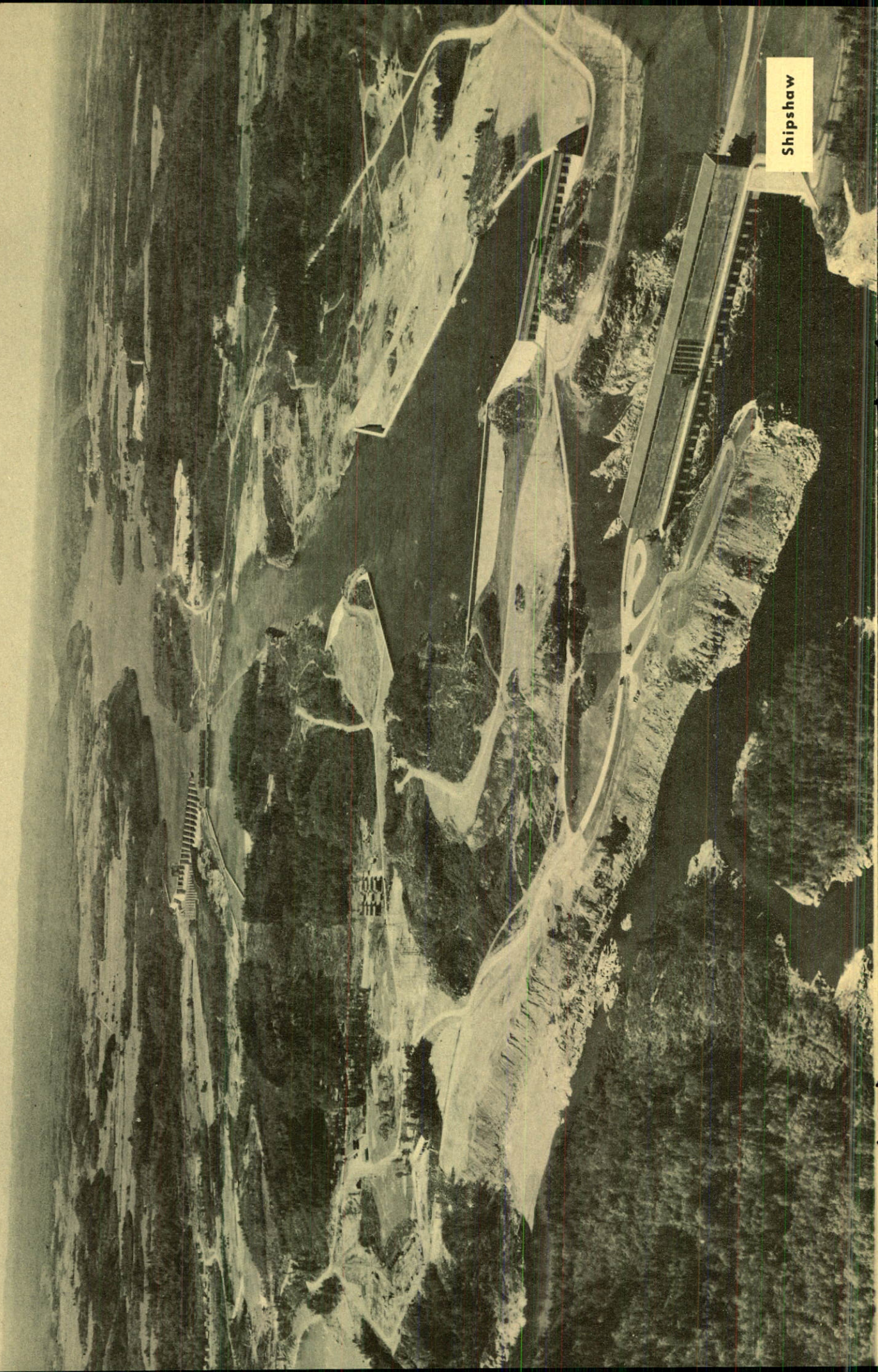


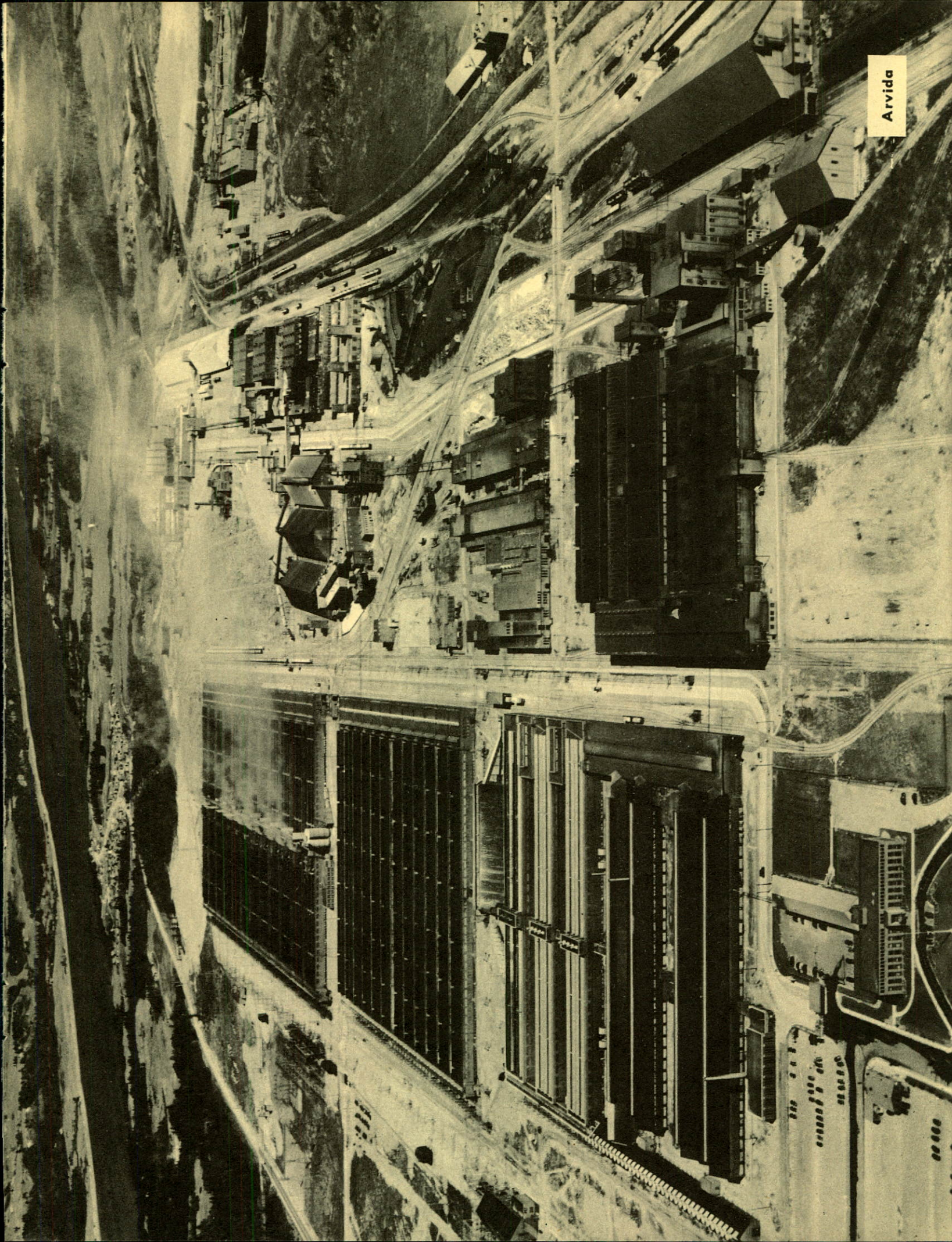
Port Alfred





Shipshaw

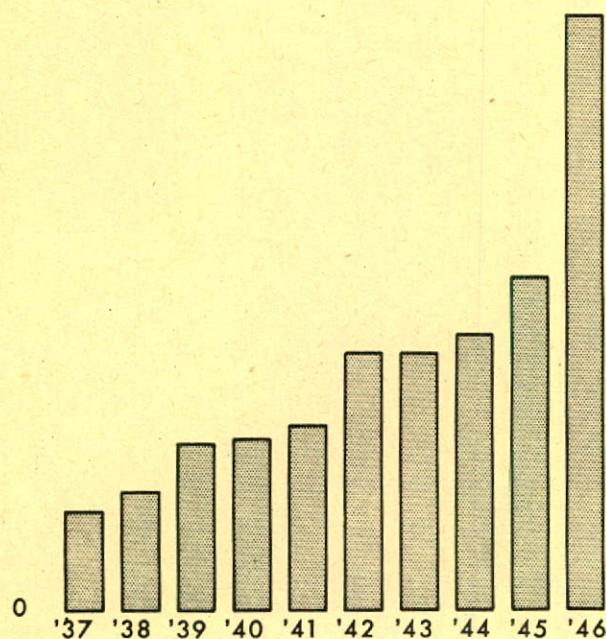




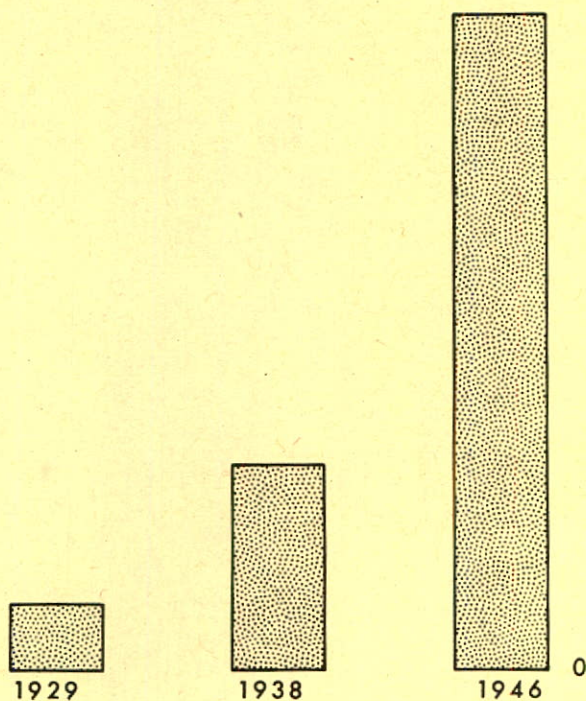
ALUMINIUM LIMITED

EXPLORATION, RESEARCH AND DEVELOPMENT

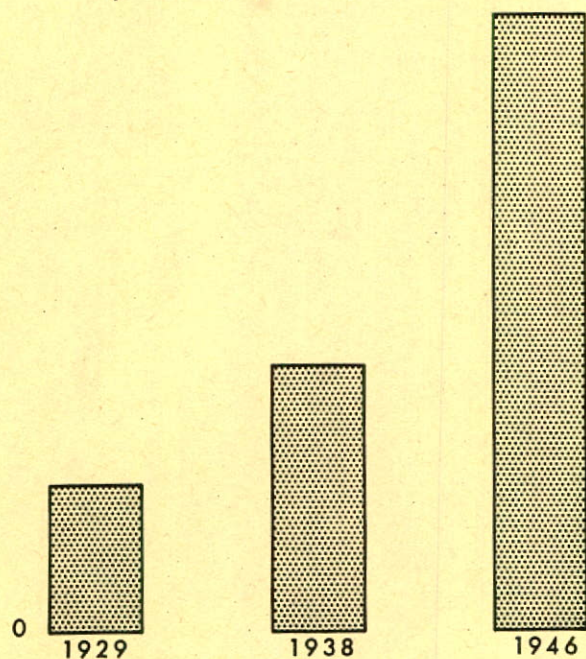
ALUMINIUM LABORATORIES LIMITED
BUDGET



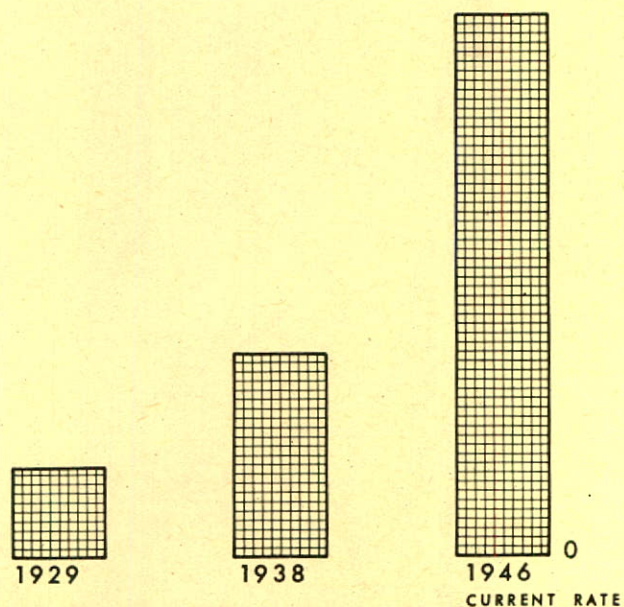
ESTIMATED BAUXITE RESERVES



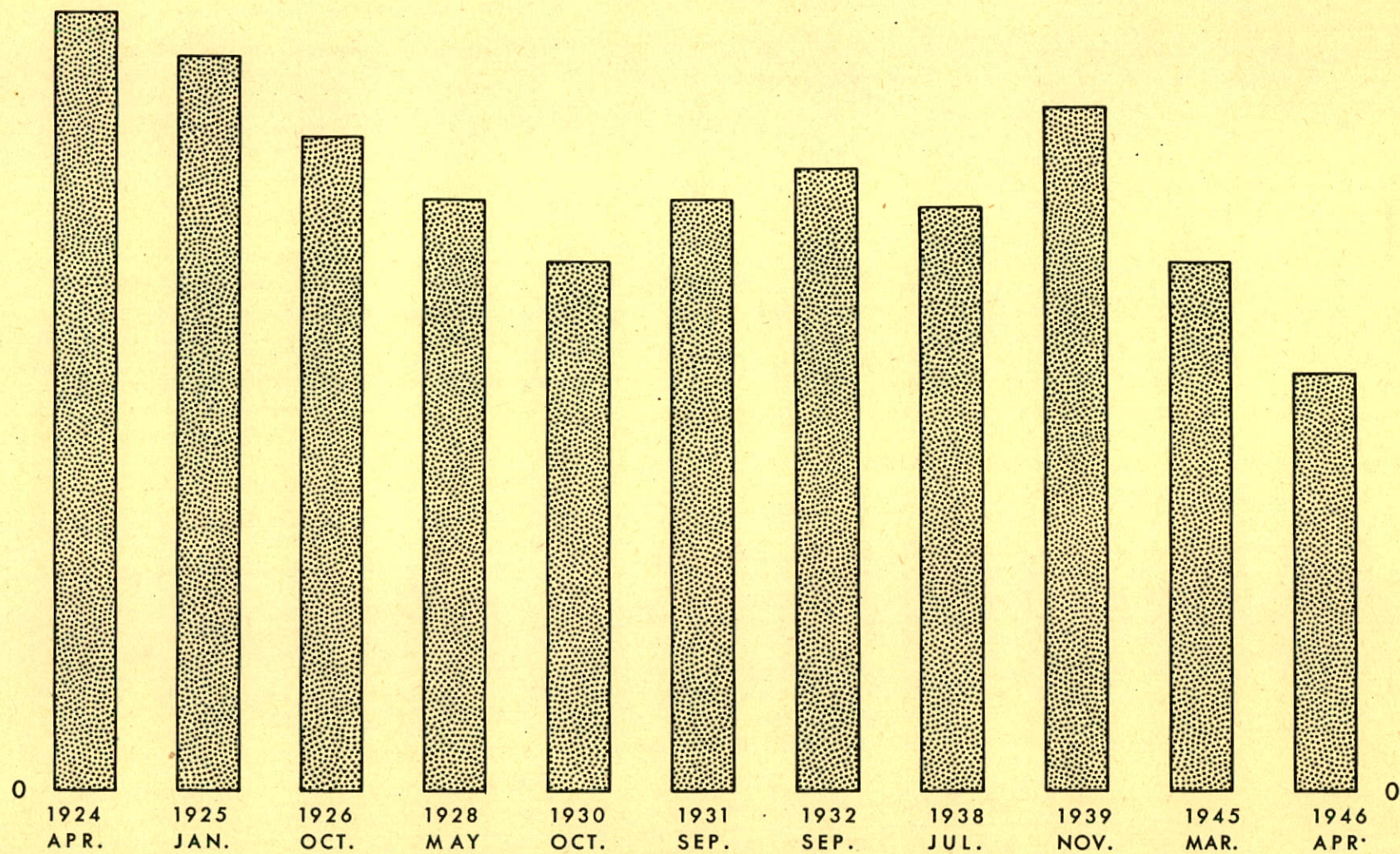
INSTALLED POWER GENERATING CAPACITY
(including partially-owned subsidiary)



CANADIAN INGOT OUTPUT
per annum



ALUMINIUM INGOT PRICES
UNITED KINGDOM



ALUMINIUM LIMITED

AND FULLY OWNED SUBSIDIARY COMPANIES

Financial Highlights

(as adjusted)

EARNINGS	1940	1941	1942	1943	1944	1945
Sales and operating revenues.....	\$81,635,948	\$132,143,186	\$198,765,962	\$290,533,159	\$258,550,197	\$113,997,741
Provision for depreciation and depletion						
Normal.....	3,613,800	5,534,023	6,328,056	5,810,223	6,911,133	5,691,280
Special (in respect of war facilities).....	778,604	17,700,509	40,571,185	64,555,491	51,787,341	0
Provision for income and excess profits taxes.....	22,147,000	15,487,883	13,902,358	14,003,494	10,943,746	8,582,828
Preferred dividends						
Aluminum Company of Canada, Ltd.....	0	0	0	749,917	750,000	750,000
Aluminium Limited, including exchange premium.....	526,113	526,113	526,113	493,411	482,510	481,967
Earnings available for common shares.....	10,135,594	14,869,613	14,717,909	11,213,474	10,768,467	11,327,878
Number of common shares outstanding.....	744,410	744,410	744,410	744,410	744,410	744,410
Earnings per common share.....	\$13.62	\$19.98	\$19.77	\$15.06	\$14.47	\$15.22
Dividends per common share.....	8.00	10.00	10.00	10.00	8.00	8.00
ASSETS—31 December						
Lands, plants and facilities (net).....	\$85,789,558	\$120,373,202	\$180,402,620	\$167,123,852	\$116,803,317	\$113,119,562
Investments.....	11,774,905	11,907,807	12,140,972	12,273,062	12,620,738	16,050,856
Prepaid expenses, deferred charges, etc.....	2,822,772	4,675,979	7,172,939	7,699,745	4,241,735	3,784,400
Cash and marketable securities.....	19,472,374	58,290,818	35,614,513	30,513,674	96,669,113	80,992,311
Other current assets.....	43,997,642	59,539,200	102,426,647	132,564,638	56,458,196	28,670,346
Net assets in enemy and formerly occupied territory.....	11,682,639	13,152,878	13,220,323	13,212,635	13,210,705	13,208,874
LIABILITIES—31 December						
Common shares and surplus.....	65,250,630	70,981,736	79,318,364	83,022,547	89,301,385	95,857,609
Preferred shares.....	7,899,600	7,899,600	7,899,600	22,244,900	22,244,900	22,244,900
Bonds, notes, etc.....	66,162,500	82,162,500	107,027,503	123,926,647	117,931,758	108,738,320
Advance payments on sales contracts.....	0	56,264,428	88,828,865	58,773,796	21,786,851	1,630,561
Current liabilities.....	32,905,495	43,196,039	59,795,104	66,590,372	39,116,003	21,186,992
Reserves and deferred credits.....	3,321,665	7,435,581	8,108,578	8,829,344	9,622,907	6,167,967

ADDRESS LIST

For the information of shareholders in various parts of the world some representative offices of the wholly owned and partially owned subsidiary companies in the Aluminium Limited Group are here listed. Space does not allow the listing of the numerous sales agents of Aluminium Union Limited and other selling subsidiaries which may be found in every important commercial centre.

ARGENTINA

Buenos Aires
Aluminio Argentina, s.a.c.i.
Aluminium Union Limited
Av. Ing. Luis A. Huergo 1279

AUSTRALIA

Sydney
Australian Aluminium Company Pty., Ltd.
Unwin Street, Granville
Aluminium Union Limited
c/o Mr. N. Warren Waterhouse, G.P.O. Box 4080

BRAZIL

Sao Paulo
Aluminio do Brasil, S.A.
Aluminium Union Limited
Rua da Quitanda, 96

BRITISH GUIANA

Georgetown
Demerara Bauxite Company, Ltd.
Broad Street
Sprotons Limited
Lombard Street

CANADA

Arvida
Aluminum Company of Canada, Ltd.
Aluminium Laboratories Limited
The Roberval & Saguenay Railway Company

Chicoutimi
Saguenay Electric Company

Etobicoke
Aluminum Company of Canada, Ltd.

Isle Maligne
The Alma & Jonquières Railway Company
Aluminum Company of Canada, Ltd.
Saguenay Power Company, Ltd.

Kingston
Aluminium Laboratories Limited
Aluminum Company of Canada, Ltd.

Montreal
Aluminium Limited
Aluminium Fiduciaries Limited
Aluminium Laboratories Limited
Aluminium Secretariat Limited
Aluminium Securities Limited
Aluminium Union Limited
Aluminum Company of Canada, Ltd.
Aluminum Goods Limited
Chaguaramas Terminals Limited
Magnesium Company of Canada, Ltd.
Saguenay Power Company, Ltd.
Saguenay Terminals Limited
Saguenay Transmission Company, Ltd.
The Alma and Jonquières Railway Company
Sun Life Building

Ottawa
Aluminum Company of Canada, Ltd.
140 Wellington Street

Port Alfred
Saguenay Terminals Limited

Shawinigan Falls
Aluminum Company of Canada, Ltd.

Toronto
Aluminum Company of Canada, Ltd.
25 King Street West
Aluminum Goods Limited
158 Sterling Road

Wakefield
Aluminum Company of Canada, Ltd.

CHINA

Shanghai
Aluminium Union Limited
P.O. Box 1435
Chinese Aluminium Rolling Mills, Limited
610 Meichow Road

DENMARK

Copenhagen
Dansk Aluminium Industri A/S
Englandsvej, 32

ENGLAND

Banbury
Northern Aluminium Company, Ltd.
Aluminium Laboratories Limited

Birmingham
Northern Aluminium Company, Ltd.
Middlesmore Road, Handsworth

London
Aluminium Union Limited
Northern Aluminium Company, Ltd.
Stand Limited
Grosvenor House, Park Lane

Rogerstone
Northern Aluminium Company, Ltd.
Castle Works, near Newport

FRANCE

Paris
Aluminium Méridional
Bauxites du Midi
63, Avenue des Champs-Élysées

GREECE

Athens
Delphi Bauxites S.A.
Aristidou Street 4

HOLLAND

Utrecht
Aluminium Wals-en-Persbedrijven N.V.
Postbus 2020

INDIA

Alwaye, Travancore State
Indian Aluminium Company, Ltd.
Alupuram

Bombay
Jeewanlal (1929) Limited
Kodak House, Hornby Road, Fort

Calcutta
Aluminium Union Limited
P.O. Box 700
Indian Aluminium Company, Ltd.
5 Council House Street
Jeewanlal (1929) Limited
101 Clive Street

Madras
Jeewanlal (1929) Limited
127 Mint Street, Georgetown

Rajahmundry
Jeewanlal (1929) Limited
Riverside

ITALY

Aurelia (Civitavecchia)
Prodotti Chimici Nazionali
Borgofranco d'Ivrea
Società dell'Alluminio Italiano

JAMAICA, B.W.I.

Mandeville
Jamaica Bauxites Limited

MEXICO

Mexico, D. F.
Aluminio Industrial Mexicano, S.A.
Ejido No. 43, Office 508

NEWFOUNDLAND

St. Lawrence
Newfoundland Fluorspar Limited

NORWAY

Oslo
A/S Norsk Aluminium Company
A/S Nordisk Aluminiumindustri
Lokkeveien 9
Det Norske Nitridaktieselskap
Solligaten 1

SOUTH AFRICA

Johannesburg
Aluminium Company of South Africa (Pty.) Ltd.
Garlick House, Harrison Street
Aluminium Union Limited

SPAIN

Madrid
Aluminium Union Limited

SWEDEN

Mansbo
A/B Svenska Aluminiumkompaniet
Stockholm
A/B Svenska Aluminiumkompaniet
Kungsgatan, 28

SWITZERLAND

Coire
Chinese Aluminium Rolling Mills, Limited
Geneva
Stand Société Anonyme
59, rue du Stand

Rorschach
Aluminiumwerke A.-G. Rorschach

Zurich
L'Aluminium Commercial S.A.
Bahnhofstrasse 3

TRINIDAD, B.W.I.

Port-of-Spain
Chaguaramas Terminals Limited
Sprotons Limited
31 St. Vincent Street

UNITED STATES

Boston
Stand Corporation
38 Newbury Street

New York
Aluminum Import Corporation
Stand Corporation
620 Fifth Avenue

